

United States Department of the Interior



MINERALS MANAGEMENT SERVICE Alaska Outer Continental Shelf Region 3801 Centerpoint Drive, Suite 500 Anchorage, Alaska 99503-5823

APR 25 2006

Mr. Daryl Luoma, Liberty Development Manager BP Exploration (Alaska) Inc. – Alaska Consolidated Team PO Box 196612 Anchorage, Alaska 99519-6612

Dear Mr. Luoma:

The Minerals Management Service (MMS) has reviewed your April 13, 2006 request for a continuance to the Suspension of Production (SOP) for the Liberty Unit leases OCS-Y-1650 and OCS-Y-1585. In support of the SOP request, BP Exploration (Alaska) Inc. (BPXA) submitted a revised Liberty Unit Plan of Operations that reaffirms work commitments, along with a schedule of activities established under a Memorandum of Understanding (MOU) dated February 2, 2006, between the MMS, U.S Army Corps of Engineers, and BPXA. BPXA requested continuance of the SOP through January 1, 2009, to allow time for pre-application activities required for submission of a Development and Production Plan (DPP), completion of a Supplemental Environmental Impact Statement, and issuance of an agency record of decision.

The MMS herby approves the revised Liberty Unit Plan of Operations and the SOP for leases OCS Y-1650 and OCS Y-1585 through January 1, 2009. The MMS concludes that the activities described in the new Liberty Unit Plan of Operations provides a reasonable schedule leading to development and production of the Liberty reservoir in accordance with 30 CFR 250.171(b).

Continuation of this SOP is subject to BPXA submitting the initial-draft (December 2006), final draft (May 2007) and revised DPP (June 2007) in accordance with the schedule outlined in the February 2, 2006 MOU, unless changes to the schedule for submissions have been approved by the MMS.

Sincerely,

Jet Walker

Regional Supervisor Field Operations

cc: R.L. Skillern, BPXA Wendy Campbell, MRM

